



QUARTERLY STATEMENT
AS OF September 30, 2012
OF THE CONDITION AND AFFAIRS OF THE
Meridian Health Plan of Michigan, Inc.

NAIC Group Code	4640 (Current Period)	4640 (Prior Period)	NAIC Company Code	52563	Employer's ID Number	38-3253977
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]	
Incorporated/Organized	12/31/1995		Commenced Business	12/31/1995		
Statutory Home Office	777 Woodward Ave. Suite 600 (Street and Number)		Detroit, MI 48226 (City, or Town, State and Zip Code)			
Main Administrative Office	777 Woodward Ave. Suite 600 (Street and Number)					
	Detroit, MI 48226 (City or Town, State and Zip Code)		(313)324-3700 (Area Code) (Telephone Number)			
Mail Address	777 Woodward Ave. Suite 600 (Street and Number or P.O. Box)		Detroit, MI 48226 (City, or Town, State and Zip Code)			
Primary Location of Books and Records			Same (Street and Number)			
	Same, (City, or Town, State and Zip Code)		(313)324-3700 (Area Code) (Telephone Number)			
Internet Web Site Address	www.mhplan.com					
Statutory Statement Contact	Julie Secord (Name)		(313)324-3784 (Area Code)(Telephone Number)(Extension)			
	julie.secord@mhplan.com (E-Mail Address)		(313)202-1290 (Fax Number)			

OFFICERS

Name	Title
Jon B. Cotton	President/COO
Thomas Lauzon	Secretary/CIO
Janice Torosian	Treasurer/CFO

OTHERS

DIRECTORS OR TRUSTEES

George Ellis
Thomas Lauzon

Karie Pasternak

State of Michigan
County of Wayne ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
Jon B. Cotton	Thomas L. Lauzon	Janice Torosian
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President	Secretary	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this _____ day of _____, 2012

a. Is this an original filing?
b. If no, 1. State the amendment number
2. Date filed
3. Number of pages attached

Yes[X] No[]

(Notary Public Signature)

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds	52,245,144		52,245,144	46,394,454
2.	Stocks:				
2.1	Preferred stocks				29,361
2.2	Common stocks	8,024,160		8,024,160	6,692,825
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....91,723,419), cash equivalents (\$.....500,808) and short-term investments (\$.....24,082,679)	116,306,906		116,306,906	120,807,957
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives				
8.	Other invested assets	1,678,241		1,678,241	343,775
9.	Receivables for securities				
10.	Securities lending reinvested collateral assets				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	178,254,451		178,254,451	174,268,372
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	496,607		496,607	480,533
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection				
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
15.3	Accrued retrospective premiums				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers	49,436		49,436	353,463
16.2	Funds held by or deposited with reinsured companies				
16.3	Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon	876,516		876,516	
18.2	Net deferred tax asset	397,288	71,164	326,124	326,124
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets (\$.....0)				
22.	Net adjustments in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				
24.	Health care (\$.....9,629,289) and other amounts receivable	9,629,289		9,629,289	7,325,910
25.	Aggregate write-ins for other than invested assets	171,646	166,860	4,786	4,786
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	189,875,233	238,024	189,637,209	182,759,188
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	Total (Lines 26 and 27)	189,875,233	238,024	189,637,209	182,759,188
DETAILS OF WRITE-INS					
1101.				
1102.				
1103.				
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	Deposits	4,786		4,786	4,786
2502.	Acquired Memberships	166,860	166,860		
2503.	Prepaid Expenses				
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	171,646	166,860	4,786	4,786

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)	101,544,123		101,544,123	94,945,497
2.	Accrued medical incentive pool and bonus amounts	2,329,434		2,329,434	3,575,271
3.	Unpaid claims adjustment expenses	172,000		172,000	172,000
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act	174,000		174,000	174,000
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance				
9.	General expenses due or accrued	2,418,050		2,418,050	3,933,433
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))				2,377,583
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	1,889,890		1,889,890	
16.	Derivatives				
17.	Payable for securities				
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers)				
20.	Reinsurance in unauthorized companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans				
23.	Aggregate write-ins for other liabilities (including \$.....0 current)				
24.	Total liabilities (Lines 1 to 23)	108,527,497		108,527,497	105,177,784
25.	Aggregate write-ins for special surplus funds	X X X	X X X		
26.	Common capital stock	X X X	X X X	44,700	44,700
27.	Preferred capital stock	X X X	X X X		
28.	Gross paid in and contributed surplus	X X X	X X X	251,363	251,363
29.	Surplus notes	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
31.	Unassigned funds (surplus)	X X X	X X X	80,813,649	77,285,341
32.	Less treasury stock, at cost:				
32.10 shares common (value included in Line 26 \$.....0)	X X X	X X X		
32.20 shares preferred (value included in Line 27 \$.....0)	X X X	X X X		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	81,109,712	77,581,404
34.	Total Liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	189,637,209	182,759,188
DETAILS OF WRITE-INS					
2301.				
2302.				
2303.				
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				
2501.	X X X	X X X		
2502.	X X X	X X X		
2503.	X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X		
3001.	X X X	X X X		
3002.	X X X	X X X		
3003.	X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months	X X X	2,630,453	2,559,358	3,429,167
2.	Net premium income (including \$.....0 non-health premium income)	X X X	717,606,941	715,226,028	960,550,710
3.	Change in unearned premium reserves and reserves for rate credits	X X X			
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X			
5.	Risk revenue	X X X			
6.	Aggregate write-ins for other health care related revenues	X X X	6	6	6
7.	Aggregate write-ins for other non-health revenues	X X X			
8.	Total revenues (Lines 2 to 7)	X X X	717,606,947	715,226,034	960,550,716
Hospital and Medical:					
9.	Hospital/medical benefits		496,574,402	476,130,764	633,326,444
10.	Other professional services		3,147,559	2,683,749	3,835,877
11.	Outside referrals		21,409,591	20,948,076	28,118,015
12.	Emergency room and out-of-area		11,184,903	10,731,606	14,529,092
13.	Prescription drugs		73,269,739	68,475,456	91,592,747
14.	Aggregate write-ins for other hospital and medical		229,141	149,294	227,942
15.	Incentive pool, withhold adjustments and bonus amounts		7,340,831	8,136,498	11,664,725
16.	Subtotal (Lines 9 to 15)		613,156,166	587,255,443	783,294,842
Less:					
17.	Net reinsurance recoveries			(1,227)	352,235
18.	Total hospital and medical (Lines 16 minus 17)		613,156,166	587,256,670	782,942,607
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including \$.....0 cost containment expenses		3,460,740	2,868,121	3,334,249
21.	General administrative expenses		97,093,995	123,186,652	156,545,626
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)				
23.	Total underwriting deductions (Lines 18 through 22)		713,710,901	713,311,443	942,822,482
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	3,896,046	1,914,591	17,728,234
25.	Net investment income earned		717,972	1,007,799	1,339,342
26.	Net realized capital gains (losses) less capital gains tax of \$.....319,489		593,338	277,700	235,324
27.	Net investment gains or (losses) (Lines 25 plus 26)		1,311,310	1,285,499	1,574,666
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]				
29.	Aggregate write-ins for other income or expenses				
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	5,207,356	3,200,090	19,302,900
31.	Federal and foreign income taxes incurred	X X X	1,614,907	1,022,836	6,393,053
32.	Net income (loss) (Lines 30 minus 31)	X X X	3,592,449	2,177,254	12,909,847
DETAILS OF WRITE-INS					
0601.	Miscellaneous Income	X X X	6	6	6
0602.	X X X			
0603.	X X X			
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X	6	6	6
0701.	X X X			
0702.	X X X			
0703.	X X X			
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X			
1401.	Hearing/Speech devices		229,141	149,294	227,942
1402.				
1403.				
1498.	Summary of remaining write-ins for Line 14 from overflow page				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		229,141	149,294	227,942
2901.				
2902.				
2903.				
2998.	Summary of remaining write-ins for Line 29 from overflow page				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT				
33.	Capital and surplus prior reporting year	77,581,404	65,115,046	65,115,046
34.	Net income or (loss) from Line 32	3,592,449	2,177,254	12,909,847
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	(144,651)	(1,302,171)	(445,849)
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax			(89,483)
39.	Change in nonadmitted assets	80,510	142,837	91,843
40.	Change in unauthorized reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
44.1	Paid in			
44.2	Transferred from surplus (Stock Dividend)			
44.3	Transferred to surplus			
45.	Surplus adjustments:			
45.1	Paid in			
45.2	Transferred to capital (Stock Dividend)			
45.3	Transferred from capital			
46.	Dividends to stockholders			
47.	Aggregate write-ins for gains or (losses) in surplus			
48.	Net change in capital and surplus (Lines 34 to 47)	3,528,308	1,017,920	12,466,358
49.	Capital and surplus end of reporting period (Line 33 plus 48)	81,109,712	66,132,966	77,581,404
DETAILS OF WRITE-INS				
4701.
4702.
4703.
4798.	Summary of remaining write-ins for Line 47 from overflow page
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)

CASH FLOW

		1	2	3
		Current	Prior	Prior
		Year	Year	Year Ended
		To Date	To Date	December 31
Cash from Operations				
1.	Premiums collected net of reinsurance	715,165,888	714,831,914	962,466,337
2.	Net investment income	1,109,877	1,159,344	1,575,783
3.	Miscellaneous income	6	6	6
4.	Total (Lines 1 to 3)	716,275,771	715,991,264	964,042,126
5.	Benefit and loss related payments	607,499,350	563,669,986	769,288,686
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	102,070,118	125,947,092	160,292,911
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	4,869,006	6,571,654	6,683,608
10.	Total (Lines 5 through 9)	714,438,474	696,188,732	936,265,205
11.	Net cash from operations (Line 4 minus Line 10)	1,837,297	19,802,532	27,776,921
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds	19,190,283	8,459,301	14,142,512
12.2	Stocks	8,471,974	3,105,519	4,496,015
12.3	Mortgage loans			
12.4	Real estate			
12.5	Other invested assets	32,210	223,014	286,097
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7	Miscellaneous proceeds			237,539
12.8	Total investment proceeds (Lines 12.1 to 12.7)	27,694,467	11,787,834	19,162,163
13.	Cost of investments acquired (long-term only):			
13.1	Bonds	25,430,848	15,999,769	23,410,972
13.2	Stocks	8,987,287	3,223,501	4,615,192
13.3	Mortgage loans			
13.4	Real estate			
13.5	Other invested assets	1,400,000		
13.6	Miscellaneous applications	322,754		126,713
13.7	Total investments acquired (Lines 13.1 to 13.6)	36,140,889	19,223,270	28,152,877
14.	Net increase (or decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(8,446,422)	(7,435,436)	(8,990,714)
Cash from Financing and Miscellaneous Sources				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes			
16.2	Capital and paid in surplus, less treasury stock			
16.3	Borrowed funds			
16.4	Net deposits on deposit-type contracts and other insurance liabilities			
16.5	Dividends to stockholders			
16.6	Other cash provided (applied)	2,108,074	544,201	249,611
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	2,108,074	544,201	249,611
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS				
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(4,501,051)	12,911,297	19,035,818
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year	120,807,957	101,772,139	101,772,139
19.2	End of period (Line 18 plus Line 19.1)	116,306,906	114,683,436	120,807,957

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
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EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	290,587							153	290,434	
2. First Quarter	292,683							189	292,494	
3. Second Quarter	292,095							245	291,850	
4. Third Quarter	291,223							304	290,919	
5. Current Year										
6. Current Year Member Months	2,630,453							2,061	2,628,392	
Total Member Ambulatory Encounters for Period:										
7. Physician	2,302,741							4,871	2,297,870	
8. Non-Physician	2,628,184							6,538	2,621,646	
9. Total	4,930,925							11,409	4,919,516	
10. Hospital Patient Days Incurred	86,347							196	86,151	
11. Number of Inpatient Admissions	26,078							59	26,019	
12. Health Premiums Written (a)	718,621,251							2,553,368	716,067,883	
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	717,606,941							2,552,039	715,054,902	
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	607,803,377							2,217,709	605,585,668	
18. Amount Incurred for Provision of Health Care Services	613,156,166							3,102,621	610,053,545	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
Individually Listed Claims Unpaid						
MeridianRx Pharmacy Claims Payable	5,564,007					5,564,007
CVS Caremark Pharmacy Claims Payable					1,313,201	1,313,201
0199999 Individually Listed Claims Unpaid	5,564,007				1,313,201	6,877,208
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered						
0499999 Subtotals	5,564,007				1,313,201	6,877,208
0599999 Unreported claims and other claim reserves						94,666,915
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						101,544,123
0899999 Accrued Medical Incentive Pool And Bonus Amounts						2,329,434

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5	6
		1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical)						
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare	250,690	1,967,019	44,534	1,192,501	295,224	307,589
7.	Title XIX - Medicaid	80,002,318	516,996,682	6,910,436	93,396,652	86,912,754	94,637,908
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	80,253,008	518,963,701	6,954,970	94,589,153	87,207,978	94,945,497
10.	Healthcare receivables (a)						
11.	Other non-health						
12.	Medical incentive pools and bonus amounts	3,023,686	5,562,982		2,329,434	3,023,686	3,575,271
13.	Totals (Lines 9 - 10 + 11 + 12)	83,276,694	524,526,683	6,954,970	96,918,587	90,231,664	98,520,768

(a) Excludes \$.00 loans or advances to providers not yet expensed.

Notes to Financial Statement

MERIDIAN HEALTH PLAN OF MICHIGAN, INC.
NAIC Company Code 52563
NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2012

Note 1 – Nature of Business and Summary of Significant Accounting Policies

Meridian Health Plan of Michigan, Inc. (the “Company”) operates as a state-licensed health maintenance organization (HMO). Meridian Health Plan of Michigan, Inc. provides medical services to persons in sixty-six Michigan counties who subscribe as recipients of state health benefits (Medicaid benefits). On January 1, 2011, the Company commenced operation of a Medicare Advantage Dual-Eligible Special Needs Plan to provide medical services to dual eligible members (those eligible for both Medicaid and Medicare benefits).

Statutory Basis of Accounting - The financial statements have been prepared in accordance with NAIC *Accounting Practices and Procedures* manual and the statutory accounting principles as prescribed by the Michigan Office of Financial and Insurance Regulation. The Company adopted the NAIC’s Codification of Statutory Accounting Principles on January 1, 2003 at the direction of the Michigan Office of Financial and Insurance Regulation. There are no significant differences between statutory accounting principles prescribed by the NAIC and the State of Michigan accounting requirements that are applicable to the Company, except for the prescribed practice for SSAP 84 Certain Health Care Receivables and Receivables Under Government Insured Plans. There is no impact on statutory surplus of the difference in accounting principles prescribed by the NAIC and the State of Michigan, due to the prescribed practice referenced above.

Note 2 - Accounting Changes and Corrections of Errors

This Note is not applicable to the Company.

Note 3 - Business Combinations and Goodwill

This Note is not applicable to the Company.

Note 4 - Discontinued Operations

This Note is not applicable to the Company.

Note 5 - Investments

This Note is not applicable to the Company.

Note 6 - Joint Ventures, Partnerships, and Limited Liability Companies

No change

Note 7 - Investment Income

This Note is not applicable to the Company.

Note 8 - Derivative Instruments

This Note is not applicable to the Company.

Note 9 - Income Taxes

No change

Note 10 - Information Concerning Parent, Subsidiaries, and Affiliates

No change

Note 11 - Debt

No change

Notes to Financial Statement

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences, and Other Postretirement Benefit Plans

This Note is not applicable to the Company.

Note 13 - Capital and Surplus, Stockholders’ Dividend Restrictions, and Quasi-Reorganizations

No change

Note 14 - Contingencies

This Note is not applicable to the Company.

Note 15 - Leases

This Note is not applicable to the Company.

Note 16 - Information About Financial Instruments with Off-balance-sheet Risk and Financial Instruments with Concentrations of Credit Risk

This Note is not applicable to the Company.

Note 17 - Sale, Transfer, and Servicing of Financial Assets and Extinguishments of Liabilities

This Note is not applicable to the Company.

Note 18 - Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

This Note is not applicable to the Company.

Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

This Note is not applicable to the Company.

Note 20 – Fair Value Measurements

The following table presents information about the Company’s assets and liabilities measured at fair value at September 30, 2012, and the valuation techniques used by the Company to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Company’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Assets Measured at Fair Value on a Recurring Basis				
	Level 1	Level 2	Level 3	Total
Common stock - Industrial & Miscellaneous	\$ 8,024,160	\$ -	\$ -	\$ 8,024,160

Note 21 - Other Items

G. The Company does not have exposure (either directly or through other investments) to subprime mortgage loans

Notes to Financial Statement

Note 22 - Events Subsequent

This Note is not applicable to the Company.

Note 23 - Reinsurance

No change

Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination

This Note is not applicable to the Company.

Note 25 - Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2011 were approximately \$98.5 million. As of September 30, 2012, approximately \$83.3 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now approximately \$7 million. Reserves for incurred claims and claim adjustment expense attributable to insured events of prior years has decreased by approximately \$8.3 million primarily due to the re-estimation of unpaid claims and claim adjustment expenses. This change is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

Note 26 - Intercompany Pooling Arrangements

This Note is not applicable to the Company.

Note 27 - Structured Settlements

This Note is not applicable to the Company.

Note 28 - Health Care Receivables

No change

Note 29 - Participating Policies

This Note is not applicable to the Company.

Note 30 - Premium Deficiency Reserves

The Company has recorded a \$174,000 liability for premium deficiency reserves on the Medicare line of business. The premium deficiency reserve was evaluated as of December 31, 2011. Anticipated investment income was not utilized as a factor in the premium deficiency calculation.

Note 31 - Anticipated Salvage and Subrogation

This Note is not applicable to the Company.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:

.....
3. Have there been any substantial changes in the organizational chart since the prior quarter end?
If yes, complete the Schedule Y - Part 1 - organizational chart.

Yes[] No[X]
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation.

Yes[] No[X] N/A[]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2011
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2011
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....10/01/2012
- 6.4 By what department or departments?
Michigan Office of Financial and Insurance Regulation
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[X] No[] N/A[]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
..... Yes[] No[X]	. Yes[] No[X]	. Yes[] No[X]	. Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes[X] No[]
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$.....0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....0
13. Amount of real estate and mortgages held in short-term investments:

\$.....0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[] No[X]
- 14.2 If yes, please complete the following:

GENERAL INTERROGATORIES (Continued)

		1	2
		Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21	Bonds		
14.22	Preferred Stock		
14.23	Common Stock		
14.24	Short-Term Investments		
14.25	Mortgages Loans on Real Estate		
14.26	All Other		
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above		

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.
- Yes[] No[X]

Yes[] No[] N/A[X]
16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[]
- 16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian Address
Comerica Bank	411 W. Lafayette, Detroit, MI 48226
.....
.....

- 16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

16.4 If yes, give full and complete information relating thereto:
- Yes[] No[X]

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....

- 16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
123286	Roble Asset Management	5700 Corporate Drive, Pittsburgh,PA 15237
114949	Madison Scottsdale	8777 N. Gainey Center Dr, Ste 200, Scottsdale, AZ 85258
19616	Wells Fargo	718 Notre Dame, Suite 200, Grosse Pointe, MI 48230

- 17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

17.2 If no, list exceptions:
- Yes[X] No[]

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent 85.445%
1.2 A&H cost containment percent 0.482%
1.3 A&H expense percent excluding cost containment expenses 13.530%
2.1 Do you act as a custodian for health savings accounts?	Yes[] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
Accident and Health - Non-affiliates						
16535	36-4233459	07/01/2011	ZURICH AMER INS CO	NY	SSL/A/I	Yes[X] No[]
13989	98-0636926	07/01/2011	SAXON RE LTD	MI	SSL/A/I	Yes[X] No[]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
Current Year to Date - Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	N								
4.	Arkansas (AR)	N								
5.	California (CA)	N								
6.	Colorado (CO)	N								
7.	Connecticut (CT)	N								
8.	Delaware (DE)	N								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N								
11.	Georgia (GA)	N								
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	L		2,553,368	716,067,883				718,621,251	
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	N								
37.	Oklahoma (OK)	N								
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	N								
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	N								
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	N								
44.	Texas (TX)	N								
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	N								
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	N								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CN)	N								
58.	Aggregate other alien (OT)	X X X								
59.	Subtotal	X X X		2,553,368	716,067,883				718,621,251	
60.	Reporting entity contributions for Employee Benefit Plans	X X X								
61.	Total (Direct Business)	(a)..... 1		2,553,368	716,067,883				718,621,251	
DETAILS OF WRITE-INS										
5801.	X X X								
5802.	X X X								
5803.	X X X								
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

Caidan Enterprises, Inc. (MI; Federal Employer Identification # 52-2422207)

Organization Governance and Ownership Structure:

Equity Shareholders

Board of Directors

Shareholders at March 31, 2012:

D. Cotton, MD	32.4%
S. Cotton	31.6%
J. Cotton	10.0% - Non Voting Stock
S.P. Cotton	10.0% - Non Voting Stock
M. Cotton	10.0% - Non Voting Stock
T. Lauzon	6.0%

Caidan Management Company, LLC (MI; Federal Employer Identification # 26-4004494)

Organization Governance and Ownership Structure:

Equity Shareholders

Board of Directors

Shareholders at March 31, 2012:

Caidan Enterprises, Inc.	100%
--------------------------	------

Meridian Rx, LLC (MI; Federal Employer Identification # 27-1339224)

Organization Governance and Ownership Structure:

Equity Shareholders

Board of Directors

Shareholders at March 31, 2012:

Caidan Enterprises, Inc.	100%
--------------------------	------

Health Management, Inc. (MI; Federal Employer Identification # 38-3360283)

(common ownership with Caidan Enterprises, Inc. majority shareholder)

Organization Governance and Ownership Structure:

Equity Shareholders

Shareholders at March 31, 2012:

D. Cotton, MD	100%
---------------	------

Caidan Holding Company, Inc. (MI; Federal Employer Identification # 26-4004578)

Organization Governance and Ownership Structure:

Equity Shareholders

Board of Directors

Shareholders at March 31, 2012:

Caidan Enterprises, Inc.	100%
--------------------------	------

Meridian Health Plan of Michigan, Inc. (MI; NAIC # 52563; Federal Employer Identification # 38-3253977)

Organization Governance and Ownership Structure:

Equity Shareholders

Board of Directors

Shareholders at March 31, 2012:

Caidan Holding Company, Inc.	100%
------------------------------	------

Meridian Health Plan of Illinois, Inc. (IL; NAIC # 13189; Federal Employer Identification # 20-3209671)

Organization Governance and Ownership Structure:

Equity Shareholders

Board of Directors

Shareholders at March 31, 2012:

Caidan Holding Company, Inc.	100%
------------------------------	------

Meridian Health Plan of Iowa, Inc. (IA; NAIC # 14145; Federal Employer Identification # 45-1749180)

Organization Governance and Ownership Structure:

Equity Shareholders

Board of Directors

Shareholders at March 31, 2012:

Caidan Holding Company, Inc.	100%
------------------------------	------

Granite Care - Meridian Health Plan of New Hampshire, Inc. (NH; NAIC # 14228; Federal Employer Identification # 36-4717033)

Organization Governance and Ownership Structure:

Equity Shareholders

Board of Directors

Shareholders at March 31, 2012:

Caidan Holding Company, Inc.	100%
------------------------------	------

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Comp- any Code	Federal ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domic- iliary Loca- tion	Relation- ship to Report- ing Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
.....	00000	52-2422207	Caidan Enterprises, Inc.	MI UIP ..	David B. Cotton	Ownership, Board of Directors 32.4	David B. Cotton
.....	00000	26-4004578	Caidan Holding Company, Inc. ..	MI UDP ..	Caidan Enterprises, Inc.	Ownership 100.0	David B. Cotton
.....	00000	26-4004494	Caidan Management Company, LLC	MI NIA ..	Caidan Enterprises, Inc	Ownership 100.0	David B. Cotton
.....	00000	38-3360283	Health Management, Inc	MI NIA ..	Caidan Enterprises, Inc	Ownership 100.0	David B. Cotton
4640 ..	Caidan Enterprises Inc Grp	13189	20-3209671	Meridian Health Plan of Illinois, Inc.	IL IA ...	Caidan Holding Company, Inc.	Ownership 100.0	David B. Cotton
4640 ..	Caidan Enterprises Inc Grp	14145	45-1749180	Meridian Health Plan of Iowa, Inc.	IA IA ...	Caidan Holding Company, Inc.	Ownership 100.0	David B. Cotton
4640 ..	Caidan Enterprises Inc Grp	14228	36-4717033	Granite Care - Meridian Health Plan of New Hampshire, Inc	NH IA ...	Caidan Holding Company, Inc	Ownership 100.0	David B. Cotton
.....	00000	27-1339224	MeridianRx, LLC	MI NIA ..	Caidan Enterprises, Inc	Ownership 100.0	David B. Cotton

Asterisk	Explanation
0000001

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

RESPONSE
No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



OVERFLOW PAGE FOR WRITE-INS

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1	2	3	4
	Uncovered	Total	Total	Total
2904.				
2905.				
2906.				
2907.				
2997. Summary of remaining write-ins for Line 29 (Lines 2904 through 2996)				

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
4704.			
4705.			
4706. 0			
4707. 0			
4708. 0			
4797. Summary of remaining write-ins for Line 47 (Lines 4704 through 4796)			

STATEMENT AS OF **September 30, 2012** OF THE **Meridian Health Plan of Michigan, Inc.**
SCHEDULE A - VERIFICATION

Real Estate		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION
Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest paid		
9. Total foreign exchange change in book value/recorded investment		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION
Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	343,775	505,634
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	1,400,000	
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)	(33,324)	(63,800)
6. Total gain (loss) on disposals		188,038
7. Deduct amounts received on disposals	32,210	286,097
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	1,678,241	343,775
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	1,678,241	343,775

SCHEDULE D - VERIFICATION
Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	53,116,640	44,553,872
2. Cost of bonds and stocks acquired	34,418,135	28,026,164
3. Accrual of discount	24,674	32,697
4. Unrealized valuation increase (decrease)	(108,063)	(619,588)
5. Total gain (loss) on disposals	912,828	173,999
6. Deduct consideration for bonds and stocks disposed of	27,662,257	18,638,527
7. Deduct amortization of premium	432,653	411,977
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	60,269,304	53,116,640
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	60,269,304	53,116,640

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	51,626,872	44,039,935	26,254,351	295,064	54,145,145	51,626,872	69,707,520	54,180,824
2. Class 2 (a)	5,705,443	3,740,853	1,750,000	(575,185)	2,327,141	5,705,443	7,121,111	2,522,328
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	57,332,315	47,780,788	28,004,351	(280,121)	56,472,286	57,332,315	76,828,631	56,703,152
PREFERRED STOCK								
8. Class 1								29,361
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								29,361
15. Total Bonds & Preferred Stock	57,332,315	47,780,788	28,004,351	(280,121)	56,472,286	57,332,315	76,828,631	56,732,513

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....20,338,368; NAIC 2 \$.....4,245,118; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SCHEDULE DA - PART 1

Short - Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	24,082,679	X X X	24,204,869	88,427	173,532

SCHEDULE DA - Verification

Short-Term Investments

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	10,208,701	8,444,935
2.	Cost of short-term investments acquired	72,450,129	37,340,534
3.	Accrual of discount		295
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		725
6.	Deduct consideration received on disposals	58,429,575	35,477,190
7.	Deduct amortization of premium	146,576	100,598
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	24,082,679	10,208,701
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	24,082,679	10,208,701

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SCHEDULE E - Verification
(Cash Equivalents)

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	100,000
2.	Cost of cash equivalents acquired	1,509,738	300,710
3.	Accrual of discount
4.	Unrealized valuation increase (decrease)
5.	Total gain (loss) on disposals
6.	Deduct consideration received on disposals	1,100,000	200,000
7.	Deduct amortization of premium	8,930	710
8.	Total foreign exchange change in book/adjusted carrying value
9.	Deduct current year's other than temporary impairment recognized
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	500,808	100,000
11.	Deduct total nonadmitted amounts
12.	Statement value at end of current period (Line 10 minus Line 11)	500,808	100,000

E01 Schedule A Part 2 NONE

E01 Schedule A Part 3 NONE

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	2	Location		5	6	7	8	9	10	11	12	13
CUSIP Identification	Name or Description	3	4	Name of Vendor or General Partner	NAIC Designation	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership
		City	State									
<div>NONE</div>												
4199999 TOTALS X X X

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1	2	Location		5	6	7	8	Change in Book/Adjusted Carrying Value						15	16	17	18	19	20
		3	4					9	10	11	12	13	14						
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V. (9 + 10 - 11 + 12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income
3999999 Total - Unaffiliated
4099999 Total - Affiliated
4199999 TOTALS

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Special Revenue, Special Assessment									
313380QP5	FEDERAL HOME LOAN BANKS		09/11/2012	UBS	X X X	999,750	1,000,000.00		1
313380SP3	FEDERAL HOME LOAN BANKS		09/27/2012	UBS	X X X	1,000,000	1,000,000.00		1
313380W94	FEDERAL HOME LOAN BANKS		09/27/2012	UBS	X X X	999,000	1,000,000.00		1
3136G0H20	FEDERAL NATL MTG ASSN		09/13/2012	UBS	X X X	998,750	1,000,000.00		1
3136G0LH2	FEDERAL NATL MTG ASSN		07/13/2012	UBS	X X X	500,000	500,000.00	444	1
3136G0UF6	FEDERAL NATL MTG ASSN		07/18/2012	UBS	X X X	497,292	500,000.00	2,083	1
3136G0UR0	FEDERAL NATL MTG ASSN		07/27/2012	UBS	X X X	999,500	1,000,000.00		1
3136G0UW9	FEDERAL NATL MTG ASSN		07/19/2012	UBS	X X X	249,875	250,000.00		1
3136G0XE6	FEDERAL NATL MTG ASSN		08/08/2012	UBS	X X X	997,000	1,000,000.00		1
3136A9AZ1	FEDERAL NATL MTG ASSN GTD REMIC		09/18/2012	UBS	X X X	303,047	300,000.00	450	1
64972F8A7	NEW YORK N Y CITY MUN WTR FIN		07/17/2012	UBS	X X X	119,643	110,000.00		1FE
64972F8G4	NEW YORK N Y CITY MUN WTR FIN		07/17/2012	UBS	X X X	152,273	140,000.00		1FE
916672NF1	UPPER TRINITY REGL WTR DIST TE		09/13/2012	UBS	X X X	498,195	450,000.00	2,938	1FE
977092QG3	WISCONSIN ST CLEAN WTR REV		08/02/2012	UBS	X X X	547,010	500,000.00	4,125	1FE
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment					X X X	8,861,335	8,750,000.00	10,040	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)									
07370VJU3	BEAL BK USA LAS VEGAS NEV		08/22/2012	UBS	X X X	248,000	248,000.00		1FE
05568PY50	BMW BK NORTH AMER UTAH		08/09/2012	UBS	X X X	248,000	248,000.00		1FE
291011AP9	EMERSON ELEC CO		08/02/2012	UBS	X X X	532,625	500,000.00	6,328	1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X	1,028,625	996,000.00	6,328	X X X
8399997 Subtotal - Bonds - Part 3					X X X	9,889,960	9,746,000.00	16,368	X X X
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds					X X X	9,889,960	9,746,000.00	16,368	X X X
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
Common Stock - Industrial and Miscellaneous (Unaffiliated)									
09251T509	BLACKROCK GLB ALLOCATION FD		07/20/2012	UBS	808.503	15,297	X X X		L
9099999 Subtotal - Common Stock - Industrial and Miscellaneous (Unaffiliated)					X X X	15,297	X X X		X X X
9799997 Subtotal - Common Stock - Part 3					X X X	15,297	X X X		X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
9799999 Subtotal - Common Stocks					X X X	15,297	X X X		X X X
9899999 Subtotal - Preferred and Common Stocks					X X X	15,297	X X X		X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	9,905,257	X X X	16,368	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of
During the Current Quarter

1	2	3 F o r e i g n	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description		Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
38374E7M3	GNMA 3.949% DUE 07-16-2033		07/16/2012	PRINCIPAL RECEIPT	X X X	14,875	14,875.15	15,349	15,210		(335)		(335)		14,875				343	07/16/2033	1
36296DJ82	GNMA PASS-THRU X SINGLE FAMILY		09/18/2012	PRINCIPAL RECEIPT	X X X	10,046	10,045.68	10,531	10,544		(499)		(499)		10,046				351	10/15/2023	1
36296JCv5	GNMA PASS-THRU X SINGLE FAMILY		09/18/2012	PRINCIPAL RECEIPT	X X X	14,943	14,942.78	15,440	15,280		(337)		(337)		14,943				480	08/15/2039	1
36297FSv5	GNMA PASS-THRU X SINGLE FAMILY		09/18/2012	PRINCIPAL RECEIPT	X X X	10,185	10,185.14	10,593	10,480		(295)		(295)		10,185				311	08/15/2024	1
38373MKH2	GNMA REMIC TRUST 2003-109		09/18/2012	PRINCIPAL RECEIPT	X X X	20,535	20,534.97	21,318	20,866		(331)		(331)		20,535				712	12/16/2030	1
38373SW78	GNMA REMIC TRUST 2003-35		09/18/2012	PRINCIPAL RECEIPT	X X X	7,686	7,686.39	7,763	7,753		(67)		(67)		7,686				211	03/16/2033	1
38374HUF5	GNMA REMIC TRUST 2004-67		09/18/2012	PRINCIPAL RECEIPT	X X X	54,727	54,727.18	57,207	55,584		(857)		(857)		54,727				1,852	06/16/2028	1
38373MY46	GNMA REMIC TRUST 2008-48		09/18/2012	PRINCIPAL RECEIPT	X X X	71,314	71,314.07	75,008	73,343		(2,029)		(2,029)		71,314				2,745	10/16/2039	1
38377DXF8	GNMA REMIC TRUST 2010-104																				
	20270620		09/21/2012	PRINCIPAL RECEIPT	X X X	77,027	77,026.64	79,915	78,075		(1,048)		(1,048)		77,027				2,364	06/20/2027	1
38377JZM8	GNMA REMIC TRUST 2010-125		09/21/2012	PRINCIPAL RECEIPT	X X X	8,509	8,509.34	8,782	8,716		(207)		(207)		8,509				190	04/20/2039	1
38377JPQ0	GNMA REMIC TRUST 2010-98		09/21/2012	PRINCIPAL RECEIPT	X X X	5,728	5,728.19	6,448			(720)		(720)		5,728				57	09/20/2021	1
38375CQW9	GNMA REMIC TRUST 2012-43		09/21/2012	PRINCIPAL RECEIPT	X X X	3,199	3,199.17	3,368			(168)		(168)		3,199				22	07/20/2039	1
0599999 Subtotal - Bonds - U.S. Governments					X X X	298,774	298,774.70	311,722	295,851		(6,893)		(6,893)		298,774				9,638	X X X	X X X
Bonds - U.S. Special Revenue, Special Assessment																					
3136FTCV9	FEDERAL NATL MTG ASSN CALL STEP		07/26/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	249,875	249,928		42		42		249,970		30	30	3,281	10/26/2026	1
3128PES33	FED HOME LN MTG		09/19/2012	PRINCIPAL RECEIPT	X X X	2,113	2,112.94	2,262	2,130		(18)		(18)		2,113				83	08/01/2016	1
31331KRX0	FEDERAL FARM CR BKS		07/19/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	250,612			(612)		(612)		250,000				4,050	07/19/2019	1
3133XWWS2	FEDERAL HM LN BK CMO Y2-2015		09/21/2012	PRINCIPAL RECEIPT	X X X	13,017	13,016.89	13,074	13,064		(47)		(47)		13,017				220	04/20/2015	1
3134A4QD9	FEDERAL HOME LN MTG CORP		07/15/2012	MATURITY	X X X	250,000	250,000.00	273,878	254,434		(4,434)		(4,434)		250,000				12,813	07/15/2012	1
31283KWN4	FEDERAL HOME LN MTG CORP POOL																				
	#G1		09/17/2012	PRINCIPAL RECEIPT	X X X	8,993	8,992.61	9,098	9,065		(73)		(73)		8,993				302	04/01/2019	1
31335HVE0	FEDERAL HOME LOAN 90613 5% 1/2023		09/18/2012	PRINCIPAL RECEIPT	X X X	3,597	3,596.81	3,833	3,500		97		97		3,597				123	01/01/2023	1
313374GC8	FEDERAL HOME LOAN BANKS		07/12/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	249,625	249,638		14		14		249,652		348	348	7,500	10/12/2023	1
313376GT5	FEDERAL HOME LOAN BANKS		07/27/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	248,875			1,125		1,125		250,000				2,813	01/27/2027	1
313378G47	FEDERAL HOME LOAN BANKS		09/17/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	249,750			250		250		250,000				1,875	03/15/2027	1
313378KG5	FEDERAL HOME LOAN BANKS		09/28/2012	CALLED @ 100.0000000	X X X	1,000,000	1,000,000.00	999,500			500		500		1,000,000				5,000	03/28/2022	1
313378V99	FEDERAL HOME LOAN BANKS		07/23/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	250,000							250,000				938	04/23/2027	1
313378YV7	FEDERAL HOME LOAN BANKS		07/26/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	249,938			7		7		249,945		55	55	938	04/26/2027	1
313378ZR5	FEDERAL HOME LOAN BANKS		07/30/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	249,875			10		10		249,885		115	115	938	04/30/2027	1
3133796E4	FEDERAL HOME LOAN BANKS		08/14/2012	CALLED @ 100.0000000	X X X	1,000,000	1,000,000.00	999,875			69		69		999,944		56	56	2,500	05/14/2027	1
313379P29	FEDERAL HOME LOAN BANKS		09/18/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	249,688			313		313		250,000				781	06/18/2027	1
313375U54	FEDERAL HOME LOAN BANKS CALL																				
	STEP		07/20/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	247,563	247,597		77		77		247,674		2,326	2,326	3,750	10/20/2026	1
3136FTAM1	FEDERAL NATL MTG ASSN		07/13/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	250,000							250,000				5,625	10/13/2026	1
3136FPKU0	FEDERAL NATL MTG ASSN CALL STEP																				
	09		07/02/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	249,125	249,671		220		220		249,892		108	108	4,219	09/30/2025	1
31395MH93	FHLMC MULTICLASS PREASSIGN 00640		09/18/2012	PRINCIPAL RECEIPT	X X X	10,620	10,619.63	10,756	10,663		(43)		(43)		10,620				341	06/15/2014	1
31395AX83	FHLMC MULTICLASS PREASSIGN 4.5		09/18/2012	PRINCIPAL RECEIPT	X X X	8,143	8,142.99	8,629	8,423		(280)		(280)		8,143				275	07/15/2019	1
31395HW48	FHLMC MULTICLASS SER 2896 CL VA 5		09/18/2012	PRINCIPAL RECEIPT	X X X	8,354	8,354.26	8,470	8,396		(42)		(42)		8,354				268	10/15/2015	1
3128PNC9H	FHLMC PC GOLD 15 YR		09/18/2012	PRINCIPAL RECEIPT	X X X	14,530	14,529.74	14,915	14,858		(329)		(329)		14,530				450	06/01/2024	1
3128MCGH2	FHLMC PC GOLD COMB 15		09/18/2012	PRINCIPAL RECEIPT	X X X	12,413	12,412.80	12,717	12,656		(243)		(243)		12,413				372	06/01/2024	1
3128MMXK0	FHLMC PC GOLD COMB 15		09/18/2012	PRINCIPAL RECEIPT	X X X	11,212	11,212.24	11,506	11,469		(257)		(257)		11,212				341	05/01/2024	1
3128KQD78	FHLMC PC GOLD COMB 30		09/18/2012	PRINCIPAL RECEIPT	X X X	18,258	18,257.77	19,136	19,003		(745)		(745)		18,258				768	05/01/2037	1
31297HAM8	FHLMC PC GOLD COMB 30		09/18/2012	PRINCIPAL RECEIPT	X X X	9,215	9,214.55	9,405	9,366		(151)		(151)		9,215				328	02/01/2035	1
31297VY69	FHLMC PC GOLD COMB 30		09/18/2012	PRINCIPAL RECEIPT	X X X	22,090	22,090.26	22,546	22,516		(425)		(425)		22,090				729	11/01/2035	1
31394GU92	FHLMC REMIC SERIES 2666		09/18/2012	PRINCIPAL RECEIPT	X X X	24,003	24,003.40	25,564	25,269		(1,266)		(1,266)		24,003				708	08/15/2023	1
31394HUD1	FHLMC REMIC SERIES 2668		09/18/2012	PRINCIPAL RECEIPT	X X X	29,409	29,408.93	30,512	29,828		(419)		(419)		29,409				1,002	03/15/2032	1
31394PDY6	FHLMC REMIC SERIES 2738		09/18/2012	PRINCIPAL RECEIPT	X X X	30,900	30,899.79	32,532	31,549		(649)		(649)		30,900				978	07/15/2032	1
31394																					

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of
During the Current Quarter

QE05.1

1	2	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Designation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.							
31416RTG8	FNMA PASS-THRU INT 15 YEAR		09/25/2012	PRINCIPAL RECEIPT	X X X	14,863	14,862.99	14,879	14,875		(12)		(12)		14,863				398	06/01/2024	1
31417KQ59	FNMA PASS-THRU INT 15 YEAR		09/25/2012	PRINCIPAL RECEIPT	X X X	15,697	15,696.60	15,751	15,732		(35)		(35)		15,697				437	08/01/2024	1
31371LCD9	FNMA PASS-THRU LNG 30 YEAR		09/25/2012	PRINCIPAL RECEIPT	X X X	8,424	8,423.53	8,637	8,588		(164)		(164)		8,424				263	09/01/2033	1
31402CVZ2	FNMA PASS-THRU LNG 30 YEAR		09/25/2012	PRINCIPAL RECEIPT	X X X	22,159	22,159.35	22,665	22,563		(404)		(404)		22,159				744	03/01/2034	1
31402DMP2	FNMA PASS-THRU LNG 30 YEAR		09/25/2012	PRINCIPAL RECEIPT	X X X	14,177	14,176.81	14,398	14,347		(170)		(170)		14,177				426	09/01/2034	1
31403C6L0	FNMA PASS-THRU LNG 30 YEAR		09/25/2012	PRINCIPAL RECEIPT	X X X	12,580	12,580.45	12,883	12,829		(248)		(248)		12,580				420	02/01/2036	1
31403DDX4	FNMA PASS-THRU LNG 30 YEAR		09/25/2012	PRINCIPAL RECEIPT	X X X	13,738	13,738.11	14,389	14,331		(593)		(593)		13,738				503	04/01/2036	1
31414PZM4	FNMA PASS-THRU LNG 30 YEAR		09/25/2012	PRINCIPAL RECEIPT	X X X	8,251	8,250.77	8,643	8,760		(509)		(509)		8,251				333	03/01/2038	1
31416RFA6	FNMA PASS-THRU LNG 30 YEAR		09/25/2012	PRINCIPAL RECEIPT	X X X	8,428	8,428.01	8,471	8,464		(36)		(36)		8,428				252	01/01/2034	1
31371KSH5	FNMA POOL #254420 6% DUE 07-01-20		09/25/2012	PRINCIPAL RECEIPT	X X X	5,987	5,987.32	6,167	6,135		(147)		(147)		5,987				216	07/01/2022	1
31371LE62	FNMA POOL #254957 4% 10-01-2013 B		09/25/2012	PRINCIPAL RECEIPT	X X X	3,813	3,813.23	2,288	3,068		745		745		3,813				98	10/01/2013	1
31371LHE2	FNMA POOL #255029 5% 12-01-2023 B		09/25/2012	PRINCIPAL RECEIPT	X X X	7,891	7,891.17	7,915	7,907		(16)		(16)		7,891				257	12/01/2023	1
31371LMX4	FNMA POOL #255174 PASS THRU 10 YR		09/25/2012	PRINCIPAL RECEIPT	X X X	20,586	20,585.76	21,332	20,988		(402)		(402)		20,586				526	03/01/2014	1
31371LR50	FNMA POOL #255308 3 5% 05-01-2014		09/25/2012	PRINCIPAL RECEIPT	X X X	11,075	11,075.10	10,942	11,013		62		62		11,075				246	05/01/2014	1
31371NU45	FNMA POOL #257203 5% DUE 05-01-20		09/25/2012	PRINCIPAL RECEIPT	X X X	7,933	7,933.48	7,891	7,898		36		36		7,933				255	05/01/2028	1
31402RA41	FNMA POOL #735427 4 5% 12-01-2018		09/25/2012	PRINCIPAL RECEIPT	X X X	10,228	10,228.48	10,187	10,201		28		28		10,228				290	12/01/2018	1
31412QWA3	FNMA POOL #932241 4% 12-01-2019 B		09/26/2012	PRINCIPAL RECEIPT	X X X	11,573	11,572.75	11,949	11,852		(279)		(279)		11,573				290	12/01/2019	1
31396QZS1	FNMA REMIC TRUST 2009-70		09/25/2012	PRINCIPAL RECEIPT	X X X	9,547	9,546.75	9,633	9,615		(68)		(68)		9,547				191	08/25/2019	1
31398FYD7	FNMA REMIC TRUST 2009-93		09/25/2012	PRINCIPAL RECEIPT	X X X	6,460	6,460.10	6,950	6,877		(416)		(416)		6,460				186	12/25/2020	1
31397QKB3	FNMA REMIC TRUST 2011-8		09/25/2012	PRINCIPAL RECEIPT	X X X	3,969	3,968.98	4,316	4,301		(332)		(332)		3,969				102	12/25/2023	1
31364E88	FNMA REMIC TRUST 2012-17		09/25/2012	PRINCIPAL RECEIPT	X X X	6,353	6,353.04	6,381			(28)		(28)		6,353				61	07/25/2039	1
54640A6S4	LOUISIANA PUB FACS AUTH REV		07/01/2012	CALLED @ 100.0000000	X X X	250,000	250,000.00	256,098	255,745		(5,745)		(5,745)		250,000				12,500	07/01/2032	2FE
64970KT98	NEW YORK N Y CITY MUN WTR FIN		07/17/2012	UBS	X X X	271,916	250,000.00	279,580	276,770		(4,854)		(4,854)		271,916				6,250	06/15/2021	1FE
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment					X X X	6,415,314	6,393,395.94	6,459,892	2,674,395		(22,006)		(22,006)		6,412,276		3,038	3,038	94,910	X X X	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
15200MAA5	CENTERPOINT ENERGY COMP 2008-3		08/01/2012	PRINCIPAL RECEIPT	X X X	11,249	11,248.92	11,726	11,529		(280)		(280)		11,249				472	02/01/2020	1FE
22541QDJ8	CSFB COML MTG PTC 2003-C3		09/18/2012	PRINCIPAL RECEIPT	X X X	9,244	9,244.45	9,015	9,171		73		73		9,244				226	05/15/2038	1FM
257469AF3	DOMINION RES INC		09/17/2012	MATURITY	X X X	250,000	250,000.00	266,070	258,390		(8,390)		(8,390)		250,000				14,250	09/17/2012	2FE
29365KAA1	ENTERGY TEX CMO FDG 2009 FLT		08/02/2012	PRINCIPAL RECEIPT	X X X	13,889	13,889.13	14,000	13,946		(57)		(57)		13,889				294	02/01/2016	1FE
428236AY9	HEWLETT PACKARD CO		08/15/2012	MATURITY	X X X	250,000	250,000.00	256,790	253,894		(3,894)		(3,894)		250,000				7,375	08/15/2012	1FE
655356JG9	NOMURA ASSET SECS CO 1998-D6		09/27/2012	VARIOUS	X X X	9,930	9,930.51	10,502	10,073		(142)		(142)		9,931				407	03/15/2030	1FM
812293AB4	SEARIVER MARITIME FINL HDGS 0%		09/01/2012	MATURITY	X X X	150,000	150,000.00	136,241	147,343		2,657		2,657		150,000					09/01/2012	1FE
88732JAG3	TIME WARNER CABLE INC		07/02/2012	MATURITY	X X X	100,000	100,000.00	105,183	100,918		(918)		(918)		100,000				5,400	07/02/2012	2FE
046353AC2	ASTRAZENECA PLC	F	09/15/2012	MATURITY	X X X	125,000	125,000.00	136,290	127,590		(2,590)		(2,590)		125,000				6,750	09/15/2012	1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X	919,312	919,313.01	945,817	932,854		(13,541)		(13,541)		919,313				35,174	X X X	X X X
8399997 Subtotal - Bonds - Part 4					X X X	7,633,400	7,611,483.65	7,717,431	3,903,100		(42,440)		(42,440)		7,630,363		3,038	3,038	139,722	X X X	X X X
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds					X X X	7,633,400	7,611,483.65	7,717,431	3,903,100		(42,440)		(42,440)		7,630,363		3,038	3,038	139,722	X X X	X X X
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X		X X X												X X X	X X X	X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	7,633,400	X X X	7,717,431	3,903,100		(42,440)		(42,440)		7,630,363		3,038	3,038	139,722	X X X	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

E06 Schedule DB Part A Section 1 NONE

E07 Schedule DB Part B Section 1 NONE

E08 Schedule DB Part D NONE

E09 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E10 Schedule DL - Part 2 - Securities Lending Collateral Assets NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
							First Month	Second Month	Third Month	
open depositories										
JP Morgan Chase, Detroit, MI	Concentration Account						105,998,146	66,006,232	91,723,419	X X X
0199998 Deposits in0 depositories that do not exceed the allowable limit in any one depository - open depositories			X X X	X X X						X X X
0199999 Totals - Open Depositories			X X X	X X X			105,998,146	66,006,232	91,723,419	X X X
0299998 Deposits in0 depositories that do not exceed the allowable limit in any one depository - suspended depositories			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X			105,998,146	66,006,232	91,723,419	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash			X X X	X X X			105,998,146	66,006,232	91,723,419	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations							
CONOCOPHILLIPS	08/23/2012 ...	4.750	10/15/2012 ...	500,808	10,951	(2,192)
3299999 Subtotals - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations					500,808	10,951	(2,192)
3899999 Subtotals - Industrial & Miscellaneous (Unaffiliated)					500,808	10,951	(2,192)
7799999 Subtotals - Issuer Obligations					500,808	10,951	(2,192)
8399999 Subtotals - Bonds					500,808	10,951	(2,192)
8499999 Sweep Accounts							
8599999 Other Cash Equivalents							
8699999 Total - Cash Equivalents					500,808	10,951	(2,192)

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